Discovery of gas in Krishna Godavari basin

1275. SHRI V. NARAYANASAMY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Reliance Industries discovered two more gas discoveries in Krishna Godavari basin recently; and

(b) if so, by when the gas available in these wells will be commercially used?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) Yes, Sir, M/s Reliance Industries has made 3 more gas discoveries, Dhirubhai-7, Dhirubhai-8 and Dhirubhai-16 in the months of May and August, 2004 respectively, in addition to six previous gas discoveries. Out of the total 9 (nine) gas discoveries, three gas discoveries, namely, Dhirubhai 1, 2 and 3 have been declared commercial. Dhirubhai 1 and 3 were declared commercial on stand-alone basis and Dhirubhai 2 declared commercial if developed either with Dhirubhai 1 or Dhirubhai 3. Subsequently, the development plan has been approved by the Management Committee.

As per the development plan submitted by Operator, commercial gas production may commence by August 2007.

Issue of LOI to allottees

1276. SHRI RAJ NATH SINGH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware of the delay in the issue of Letter of Intent (LOI) to allottees by petroleum companies for their retail outlets causing commercial losses to these companies;

(b) if so, whether Government are aware of the inordinate delay in the issue of LOI by HPCL for its retail outlet at Nawabganj, Bareilly;

(c) the action being taken against the officials for the delay on one or the other technical grounds; and

(d) the steps being taken to expedite the process and cut red tape so that both the allottees and the petroleum companies do not face losses due to the vested interests of the officials?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (d) The public sector oil marketing companies (OMCs) make efforts to issue Letters of Intent (LOIs) to the dealers-select for outlet dealerships, as per schedule. In spite of that, on occasion, delays occur in the issue of LOIs because of complaints, court cases, etc., received against the selections, and consequent enquiry into the complaints, etc. However, in respect of 'A' site (company-owned) retail outlets, where land has already been acquired by the companies pending selection of dealers, oil companies usually take action to set up the retail outlets and start the operation in order to avoid loss through keeping facilities idle, as also to ensure that consumers do not suffer. Such outlets are operated by the oil marketing companies on a company-owned-company-operated/*ad hoc* basis till pre-allotment formalities are over and the OMCs are in a position to hand over such outlets to the selected dealers.

(b) and (c) Though Hindustan Petroleum Corporation Limited selected a dealer in the month of July, 2004 for their proposed retail outlet dealership at Nawabganj, Bareilly, they could not issue the LOI to the dealer-select because of complaints received in the matter. The issue of the LOI in this case will depend on the outcome of the enquiry into the complaints and the decision taken by the competent authority.

Tax and duty paid by oil companies

1277. SHRI CHITTABRATA MAJUMDAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the Central taxes and duties paid by public sector oil companies during the last three years;

(b) the dividend paid by them to Government during the last three years; and

(c) the cess paid by ONGC and OIL during the last three years and the share of cess utilised by petroleum sector during these years?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) The details of total contribution to the Central Exchequer, including dividend, by the oil PSUs during the last three years are given in the Statement (*See below*).